



Department of Veterans Affairs

Financial Policy

Volume II

Appropriations, Funds, and Related Information

Chapter 5B

Non-Contractual Obligations

Approved:

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0501 Overview

This chapter establishes the Department of Veterans Affairs' (VA) financial policies regarding instances where statutory authority or other regulatory circumstances allow the government to incur obligations outside standard purchasing methods. These obligations were formerly obligated via VA Form 1358, Obligation or Change in Obligation, in VA's legacy accounting system (Financial Management System (FMS)). In the Integrated Financial and Acquisition Management System (iFAMS), these obligations will be referred to as non-contractual obligations.

Key points covered in this chapter:

- Non-contractual obligations are a subsection of obligations and are subject to the requirements outlined in Volume II, Chapter 5 – Obligations Policy.
- Non-contractual obligations may only be used for the authorized purposes outlined in this policy. All other obligations will utilize formal acquisition procedures through an acquisition office or the VA Government Purchase Card (GPC) program if the obligation is below the micro-purchase threshold.
- VA Form 1358, Obligation or Change in Obligation will not be used in the iFAMS for recording non-contractual obligations.
- Each non-contractual obligation will be individually recorded (i.e., lump-sum/multiple obligations will not be recorded on a single document in the accounting system); and
- The use of "Miscellaneous Vendor" is not permitted. Each non-contractual obligation must specifically identify the vendor that will provide the supplies or services.

0502 Revisions

Section	Revision	Office	Reason for Change	Effective Date
Various	New Chapter	OFP (047G)	Implementation of policy for recording non-contractual obligations in the iFAMS.	August 2021

0503 Definitions

Administrative Approval of Payment (Obligate at Claim Approval) – Occurs when a liability does not arise until the agency formally reviews and approves payment. In these instances, the agency should not record an obligation for payment until it approves the payment. (Government Accountability Office (GAO) Redbook Chapter 7, Obligation of Appropriations, Administrative Approval of Payment). In 46 Comp. Gen. 895 (1967), GAO approved the Veterans Affairs' practice of recording obligations for fee-basis outpatient treatment of eligible veterans at the time the agency administratively

approved the vouchers. VA had established a review and approval process to determine whether the government should accept liability; therefore, no obligation arose until that time.

Acquisition Assisted Interagency Agreement – A type of interagency agreement where a servicing entity performs acquisition activities using a contractor to provide the supplies or services.

Buy/sell Transaction – Transactions between two federal entities where supplies or services are purchased by one entity from another entity. This arrangement is accomplished through the issuance of a reimbursable agreement (i.e., VA Form 2269 or Treasury Form 7600(A)(B)) between the two entities. Trading partners should have appropriate statutory authority (e.g., Economy Act) prior to engaging in an agreement for buy/sell transactions.

Fiduciary Intra-governmental Transactions (IGTs) – Transactions where a single agency, also referred to as an authoritative source, performs a centralized function on behalf of all other federal agencies.

General Terms and Conditions (GT&C) – The section of an IAA that identifies the buyer and seller involved, the authority for the agreement, required actions, period of performance, and type (i.e., single order or multiple order IAA).

G-Invoicing – Treasury's long-term solution for buy/sell transactions that will allow federal agencies to initiate payments and manage the receipt and acceptance of GT&C, orders, and performance.

Honoraria – Voluntary payments to a person for a service for which a fee is not legally or traditionally required. VA financial policy, Volume II, Chapter 7B, Honoraria, allows for honoraria payments, not to exceed \$100, provided that the payments are not of a significant nature, enforceable by law, and are used as more of a thank you or an expression of appreciation for voluntary services received.

Inter or Intra-Agency Agreement (IAA) – A written agreement entered between federal agencies (Inter), or organizational units within the same agency (Intra), establishing a relationship between a buyer and seller, which specifies the supplies to be furnished or tasks to be accomplished.

Intra-governmental Transactions (IGTs) – These transactions result from business activities conducted by two different federal government entities. There are two types of IGTs: Intra-departmental and Intra-governmental. For the purposes of this chapter, business activities conducted between federal entities, whether inside or outside VA, will be known as Intra-governmental transactions (IGT).

- Intra-departmental transactions result from activity between trading partners within the same department.

- Intra-governmental transactions result from activity between federal entities not within the same department.

Obligation – A legally binding agreement that will result in outlays, immediately or in the future. An obligation is a legal liability of the Government against an available appropriation.

Non-Contractual Obligation – For the purposes of this policy, this term encompasses obligations with special statutory authority or other regulatory authority to exempt the obligation from Federal Acquisition Regulations and formal acquisition procedures required by the FAR or VA GPC Program. Categories of authorized non-contractual obligations are listed in the Appendices of this policy. There are instances where these obligations may be generally defined as a contract (agreement between two parties), but these obligations do not follow FAR-based procedures.

Order – Also known as the ordering instrument, is the funding section of an IAA, which includes the supplies or services requirements, funding information, and authorized signatures to establish the obligation between the trading partners.

Period of Performance (POP) – The period specified by an obligation within which the terms and conditions remain in full force and effect, also referred to as start and stop dates. Supplies and services will not begin being delivered before the start date identified in the POP and will finish being delivered by the end date of the POP.

Reimbursable Work Authorizations – Formal agreements between the General Services Administration (GSA) and a customer whereby GSA agrees to provide supplies or services, and the customer agrees to reimburse GSA's direct and indirect costs.

Requesting Agency – A federal entity that requests supplies or services from another federal entity, also referred to as the buyer.

Servicing Agency – A federal entity responsible for providing supplies or services to another federal entity, also referred to as the seller.

Stale Obligation – an obligation that is aged beyond 90 days of the period of performance end date or without activity in the past 90 days. Activity within 90 days may include an invoice received for services occurring prior.

Stipends – Fixed sums of money paid periodically for services or to defray expenses. A stipend is distinct from a salary payment because it does not represent payment for work performed, but rather is payment for a role that is normally unpaid, or which cannot be measured in terms of a task. 41 CFR 102-3, Federal Advisory Committee Management, allows compensation and expense reimbursement of advisory committee members, staff, experts, and consultants up to the maximum GS-15 daily rate unless a higher rate expressly is allowed by another statute.

0504 Roles and Responsibilities

Under Secretaries, Assistant Secretaries, Other Key Officials, Administration and Staff Office CFOs, and Fiscal Officers are responsible for ensuring compliance with the policies outlined in this chapter.

Financial Management Business Transformation Team (FMBT) is responsible for establishing and maintaining business processes within iFAMS to accommodate the financial and purchasing requirements of VA.

Finance Offices are responsible for performing reconciliations and providing oversight of open obligations to ensure funds are expended appropriately, and proper amounts are reflected in VA's financial statements. This includes coordinating with the local staff and acquisition offices to modify contracts necessary for adjustments to obligations. Local finance offices will coordinate access requests to the accounting system with the Financial Services Center.

Requestor role in iFAMS is responsible for defining the requirements of the non-contractual obligation, to include, as applicable: a description of the supplies or services, quantity, cost, period of performance, vendor information, and any other information required to support the obligation.

Approver role in iFAMS is responsible for reviewing and validating the non-contractual obligation request entered by the Requestor.

Finance Office Approver is responsible for ensuring the availability of funds and proper accounting before recording the obligation.

Certifier or Certifying Official is responsible for verifying receipt of supplies or acceptance of performance of services. This certification is performed in a variety of payment systems.

Reviewer is a role within the finance office and is responsible for reviewing documentation to support the obligation. The Reviewer is also responsible for monitoring oversight procedures required for open obligations.

0505 Policies

050501 General Policies

- A. Non-contractual obligations will be recorded in iFAMS for a limited number of categories of transactions contained in the appendices. All other requirements for

supplies and services must be procured via standardized methods established through the VA GPC program or formal acquisition procedures with the acquisition offices.

- B. Non-contractual obligations are a subsection of VA obligations and will follow established guidelines for documentation, periodic review, adjustment, and close-out, as outlined in VA Financial Policy Volume II, Chapter 5 – Obligations Policy.
- C. Non-contractual obligations were previously obligated via VA Form 1358 in VA's legacy accounting system, FMS. VA organizations using FMS will continue to adhere to VA Financial Policy Volume II, Chapter 6 – 1358 Obligations.
- D. VA Form 1358 will not be used in iFAMS. iFAMS has established document types and processes for obligations that were formerly procured via a VA Form 1358.
- E. Unless expressly noted in the appendix, non-contractual obligations do not utilize the commitment function in iFAMS.
- F. Each obligation will be individually obligated. Lump-sum obligations are not permitted. A lump-sum obligation is a single obligation used for multiple requirements, groups of items, or multiple vendors, instead of broken up into separate obligations. Lump-sum obligations consolidate several individual requirements into a single obligation.
- G. Each obligation will be issued to a specific vendor, individual, or entity. "Miscellaneous Vendor" (or a similar variation) in the Vendor Field is not permitted on an obligation. In VA's legacy Financial Management System, "Miscellaneous Vendor" was used for several classes of obligations due to system limitations.
- H. Management will appropriately segregate duties to strengthen VA's internal controls system and minimize fraud, waste, and abuse. Specifically, no one official may perform more than one of the following key functions of a single transaction:
 - Submit the request for supplies or services;
 - Approve the obligation; and
 - Certify receipt of supplies or services/approve payment for supplies or services.
- I. With obligate at claim approval transactions, approval of the obligation occurs simultaneously with payment approval. Therefore, a second-level approval will be required for obligate at claim approval transactions.
- J. VA will comply with National Archives and Records Administration (NARA) General Records Schedule for financial management and reporting records.

050502 Requesting the Obligation

- A. Non-contractual obligations are to be initiated by a requestor who is authorized to request the purchase of supplies or services.
- B. To maintain segregation of duties and the integrity of the transaction, a requestor may not approve their own requests or certify receipt of supplies and services.
- C. The requestor will upload all required documentation for the request to iFAMS. Each type of non-contractual obligation requires specific documentation to support the request. Documentation requirements are specified in the appendix applicable to the type of obligation.

050503 Approving the Obligation

- A. The approver will ensure the supplies or services are necessary and that the request is for a valid agency requirement.
- B. An individual having access to both requesting and approving transactions shall not approve their own request. The request will be submitted to another individual with the authority/access to authorize and approve the obligation.
- C. iFAMS will use segregation of duties business rules to avoid any segregation of duties violations.

050504 Recording the Obligation

- A. VA will record obligations in accordance with OMB Circular No. A-11, Preparation, Submission, and Execution of the Budget and VA Financial Policy Volume II, Chapter 5 – Obligations Policy.
- B. After approval by the program office and before the purchase of supplies or services, the finance office will verify that funds are available and authorized for the purchase. The finance office will also ensure the obligation is recorded in the financial system when properly supported in accordance with the requirements of this chapter.
- C. Documentation to support each obligation will clearly identify the need for the obligation, a description of the supplies or services, quantity, cost, period of performance, vendor information, and any other information required to support the obligation. For obligate at claim approval transactions, required documentation includes the specific reimbursement form and supporting documentation indicated in the applicable appendix. See VA Financial Policy Volume II, Chapter 5 – Obligations Policy, for guidelines on required documentation to support an obligation.

- D. The obligation number will be generated by iFAMS based on accounting string elements. See VA Financial Policy Volume II, Chapter 5 – Obligations Policy, for the standard numbering schema for obligations.

050505 Certifying the Receipt of Supplies or Services/Approving Payment

- A. Certifying Officials verify the accuracy of facts stated on an invoice, payments, supporting documents, and records.
- B. Certification of the receipt of requested supplies or services in the quality and quantity requested and in accordance with the terms of the obligation will be obtained before payment is made. Any discrepancies will be noted, researched, and corrected.
- C. The certifying official is not necessarily the physical receiver of the supplies or services. Rather, they base their certification of the receipt of the supplies or services on a review of official supporting documentation, such as a receiving report, sales receipt, packing slip, bill of lading, or a bill of services rendered signed by an individual authorized to receive supplies or services. The certifying official approves payments in various automated systems, such as the Invoice Payment Processing System (IPPS).
- D. Certifying Officials will be knowledgeable of the subject matter, appropriations, accounting classifications, payment processes, and the location of designated paying and accounting offices.
- E. Certifying official liability and responsibilities are contained in VA Financial Policy Volume VIII, Chapter 1A, Invoice Review and Certification.

050506 Reviewing/Monitoring the Obligation

- A. Open obligations include those obligations that are not considered closed or complete and have a balance associated with them, whether undelivered or unpaid. Open obligations will be reviewed monthly to ensure that the obligations are valid. See VA Financial Policy, Volume II, Chapter 5 – Obligations Policy, for instructions and required documentation for the periodic review of open obligations.
- B. Non-contractual obligations aged over 90 days or without activity in the past 90 days are considered stale obligations and must be de-obligated unless the initiating service can prove that the obligations are valid and should remain open.
- C. Each CFO within VA will conduct an annual review to ensure that non-contractual obligations are only used for the purposes stated in this policy. The review will also ensure compliance with this policy, to include proper oversight and de-obligation of

non-contractual obligations, and that segregation of duties is maintained. The review will be performed by an official (as designated by the CFO) as part of the preparation and submission of the Year-End Financial Statement Certification. Refer to VA Financial Policy Volume VII, Chapter 1 – Financial Statement Reporting, for additional information.

050507 Adjustments to the Obligation

- A. The requestor will adjust an obligation when:
 - 1. The requirement is canceled, VA will de-obligate the remaining balance on the obligation.
 - 2. A requirement is modified, VA will appropriately de-obligate or obligate funds.
 - 3. Delivery and acceptance of supplies or services are confirmed, VA will reduce the obligation, record the accrued expense, and establish the corresponding accounts payable liability.
- B. VA will record obligation adjustments in a timely manner to ensure that the net obligated balance is properly reported in the financial statements.
- C. Refer to VA Financial Policy Volume II, Chapter 5 – Obligations Policy, for additional guidance.

0506 Authorities and References

[2 CFR § 200.201 – Use of grant agreements, \(including fixed amount awards\), cooperative agreements, and contracts](#)

[5 CFR § 410.401, Determining necessary training expenses](#)

[5 CFR § 792, Subpart B-Agency Use of Appropriated Funds for Child Care Costs for Lower Income Employees](#)

[38 CFR § 38.628, Reimbursement for caskets and urns for unclaimed remains of veterans](#)

[38 CFR § 38.629, Outer burial receptacle allowance](#)

[41 CFR § 102-3, Federal Advisory Committee Management](#)

[48 CFR § 2.101, Federal Acquisition Regulation Definitions](#)

[5 U.S.C. § 3371 et seq., Intergovernmental Personnel Act](#)

[5 U.S.C. § 5514\(a\)\(2\), Installment deduction for indebtedness to the United States](#)

[5 U.S.C. Chapter 81, Compensation for Work Injuries](#)

[5 U.S.C. § 4105, Non-Government facilities; use of](#)

[5 U.S.C. § 4107, Academic degree training](#)

[5 U.S.C. § 5757, Payment of expenses to obtain professional credentials](#)

[28 U.S.C. § 2672, Administrative Adjustment of Claims](#)

[31 U.S.C. Chapter 15, Subchapter III, Transfers and Reimbursements \(§1531 – §1537\)](#)

[31 U.S.C. Chapter 63, Using Procurement Contracts and Grant and Cooperative Agreements](#)

[31 U.S.C. § 1308, Telephone and metered services](#)

[31 U.S.C. § 1501, Documentary Evidence Requirement for Government Obligations](#)

[31 U.S.C. § 1534, Adjustments between appropriations](#)

[31 U.S.C. § 1535, Agency Agreements \(Economy Act\)](#)

[38 U.S.C. Subchapter 3, State Home Facilities for Furnishing Domiciliary, Nursing Home, and Hospital Care](#)

[38 U.S.C. § 515, Administrative Settlement of Tort Claims](#)

[38 U.S.C. § 1718, Therapeutic and Rehabilitative Activities](#)

[38 U.S.C. § 2408, Aid to States for Establishment, Expansion, and Improvement of Veterans' Cemeteries](#)

[38 U.S.C. § 3671, Designation](#)

[38 U.S.C. § 3674, Reimbursement of expenses](#)

[38 U.S.C. § 7406, Residencies and internships](#)

[38 U.S.C. § 7411, Full-time board-certified physicians and dentists: reimbursement of continuing professional education expenses](#)

[38 U.S.C. § 8121, Revolving Supply Fund](#)

[38 U.S.C §8153, Sharing of Health-Care Resources](#)

[38 U.S.C. § 8301, Authority to accept gifts, devises, and bequests](#)

[40 U.S.C. Chapter 1 § 101 et seq, Federal Property and Administrative Services](#)

[40 U.S.C. § 301, Federal Property and Administrative Services](#)

[40 U.S.C. §501, Services for Executive Agencies](#)

[40 U.S.C. § 592\(b\)\(2\), Federal Buildings Fund](#)

[41 U.S.C. § 6101, Advertising requirement for federal government purchases and sales](#)

[Class Deviation from FAR Subpart 41.2, Acquiring Utility Services, and VA Acquisition Regulation subpart 841.2, Acquiring Utility Services](#)

[Department of Homeland Security Act of 2002](#)

[Executive Order 13150—Federal Workforce Transportation](#)

[FAR 17.5, Interagency Acquisitions](#)

[Federal Travel Regulations Chapter 301, Part 301-12](#)

[GAO Decision: Administrative approval of payment for Veterans Affairs Medical Services 46 Comp. Gen. 895](#)

[GAO Decision: Obligation when a legal decision-maker, e.g., court, determines that the government is liable, B-124753, October 4, 1955, 35 Comp. Gen. at 187.](#)

[GAO Decision: Obligations Recorded for Utility Services Performed, B-122358](#)

[GAO Decision: Public Utilities and Availability of Appropriations, B-5857 19 Comp. Gen. 365](#)

[GAO Decision: Recording obligations under EPA cost-plus contract \(34 Comp. Gen. 459, 469 \(1955\)\)](#)

[GAO Decision: Voluntary Services Meals, B-145430](#)

[GAO Redbook Chapter 7, Obligation of Appropriations, Administrative Approval of Payment](#)

[GSA's external RWA Entry and Tracking Application \(eRETA\)](#)

[National Archives and Records Administration \(NARA\) General Records Schedule for Financial Management and Reporting Records](#)

[OMB Circular A-11, Preparation, Submission and Execution of the Budget](#)

[OMB the Office of Federal Procurement Policy Memorandum, Guidance for Improving the Management and Use of Interagency Acquisitions](#)

[Public Law 95-224, Federal Grant and Cooperative Agreement Act](#)

[Public Law 106-58, Treasury and General Government Appropriations Act, 2000](#)

[Public Law 107-67, Section 630, Treasury and General Government Appropriations Act, 2002](#)

[Public Law 107-296, § 1331\(a\), Academic Degree Training](#)

[Public Law 107-67, Section 630, Child Care Regulations](#)

[Public Law 109-114, Military Quality of Life and Veterans Affairs Appropriations Act, 2006 \(VA Franchise Fund\)](#)

[Public Law 109-461, VA's Homeless Providers Grant and Per Diem Program](#)

[The Caregivers and Veterans Omnibus Health Services Act of 2010](#)

[TFM Volume I, Part 6, Chapter 4000, Intra-governmental Transaction Applications – Intra-governmental Payment and Collection \(IPAC\) and Government Invoicing \(G-Invoicing\)](#)

[Treasury Form 7600A, Agreement Between Federal Agencies General Terms & Conditions \(GT&C\) Section](#)

[Treasury Form 7600B, Agreement Between Federal Agencies Order Requirements and Funding Information \(Order\) Section](#)

[University of Rochester v. Hartman, 618 F.2d 170, 176 \(2nd Cir. 1980\)](#)

[VA Acquisition Regulation \(VAAR\)](#)

[VA Acquisition Manual \(VAAM\)](#)

[VA Form 2269, Intra-Agency Cross-Servicing Support Agreement](#)

[VA Financial Policy Volume I, Chapter 6 – Reconciliations](#)

[VA Financial Policy Volume I, Chapter 11 – Intra-governmental Transactions](#)

[VA Financial Policy Volume I, Chapter 11A – Buy / Sell Transactions](#)

[VA Financial Policy Volume II, Chapter 5 – Obligations](#)

[VA Financial Policy Volume II, Chapter 6 – 1358 Obligations](#)

[VA Financial Policy Volume II, Chapter 7B – Honoraria](#)

[VA Financial Policy Volume III, Chapter 1, Transit Benefits and Bicycle Benefit Programs](#)

[VA Financial Policy Volume VI, Chapter 20 – Judgment Fund](#)

[VA Financial Policy Volume VII, Chapter 1, Financial Statement Reporting](#)

[VA Financial Policy Volume VIII, Chapter 1A, Invoice Review and Certification](#)

[VA Financial Policy Volume XVI, Chapter 1B, Government Purchase Card for Micro-Purchases](#)

[VA Office of General Counsel Precedent Opinion PREC 14-91](#)

[VA Directive 5015, Employee Development](#)

[VHA Directive 1620, Voluntary Services](#)

[VHA Handbook 4721, General Post Fund](#)

0507 Rescissions

None.

0508 Questions

Questions concerning these financial policies and procedures should be directed to the following points of contact:

VHA
VHA

VHA 10A3A Accounting Policy (Outlook)
VAFSC Nationwide Accounting (Outlook)

VBA	VAVBAWAS/CO/FINREP (Outlook)
VBA	VAVBAWAS/CO/OPERATIONS (Outlook)
NCA	NCA Financial Policy Group (Outlook)
All Others	OFP Accounting Policy (Outlook)

Appendix A: Crosswalk - 1358 Codes to iFAMS

This appendix shows the VA Form 1358 Code / Authorized Use and the iFAMS implementation wave and associated policy appendix. For example, 1358 Authorized Use #3, Expense Sharing / Reclassification, will be implemented in the NCA wave, with specific instructions in Appendix B of this policy. As iFAMS is implemented across the Administrations, the appendices in this policy will be updated to include the procedures for each use.

1358 Code	Title	iFAMS Wave Inclusion	Appendix	Appendix Title
1	Nursing Homes/Adult Day Health Care	VHA	Future iFAMS Wave	Non-Department Medical Care and Services
2	Community Care Program	VHA	Future iFAMS Wave	Non-Department Medical Care and Services
3	Standardized Obligations	NCA (O&M, Gift, Grant, Facilities Operations)	B	Expense Sharing Reclassification
			C	Intra-governmental Transactions
4	Standardized Obligations Supply Fund: National Acquisition Center	VHA	B	Expense Sharing Reclassification
			C	Intra-governmental Transactions
5	Research Studies/Royalty Payments	VHA	Future iFAMS Wave	Research
6	Disabled: Not a Valid Code	N/A	N/A	N/A
7	Affiliation Agreements for Interns/Residents	VHA	Future iFAMS Wave	Residents and Interns
8	Tort Claims/EEO Settlements/ OIG Confidential Services and Investigative Purchases	NCA (O&M, Gift, Grant, Facilities Operations)	D	Legal
			E	OIG Investigative
9	Volunteer and Resident Meal Tickets, Volunteer Reimbursements, Honoraria, and Stipends	NCA (O&M, Gift, Grant, Facilities Operations)	F	Volunteers
			G	Honoraria and Stipends
			Future iFAMS Wave	Residents and Interns
10	Incentive Therapy /Compensated Work Therapy	NCA (O&M, Gift, Grant, Facilities Operations)	H	Incentive Therapy/Compensated Work Therapy
11	Beneficiary Travel and Direct Payments to Veterans from General Post Fund	VBA VR&E	Future iFAMS Wave	Beneficiary Travel

1358 Code	Title	iFAMS Wave Inclusion	Appendix	Appendix Title
			Future iFAMS Wave	General Post Fund Veteran Payments
12	Home Improvement Structural Alterations	VHA	I	Grants and Similar Programs
13	NCA Veterans Benefit (Outer Burial Receptacles and Dignified Burial Casket/Urn)	VBA C & P	J	NCA Veterans Burial Benefits
14	VBA Lease Agreement Overtime Charges	VBA GOE	C	Intra-governmental Transactions
15	Home Oxygen and Eyeglass Fabrication	VHA	Future iFAMS Wave	Home Oxygen and Eyeglass Fabrication
16	Prosthetics – New or Repaired Items	VHA	Future iFAMS Wave	Prosthetics
17	Pharmacy/ Subsistence Prime Vendors & Consolidated Mail Order Pharmacy	VHA	Future iFAMS Wave	Pharmacy/ Subsistence Prime Vendors & Consolidated Mail Order Pharmacy
18	Regulated Utilities	NCA (O&M, Gift, Grant, Facilities Operations)	K	Regulated Utilities
19	Reimbursements to VA Employees or Students; Employee Training, Scholarships, Tuition, Training & OIG Confidential Services and OIG Emergency Purchases	NCA (O&M, Gift, Grant, Facilities Operations)	L	Reimbursements – Employees or Students
			M	Training and Tuition
			N	Scholarships
			E	OIG Investigative
20	Non-Procurement Obligations	NCA (O&M, Gift, Grant, Facilities Operations)	B	Expense Sharing Reclassification
			C	Intra-governmental Transactions
			Future iFAMS Wave	Research
			H	Incentive Therapy/Compensated Work Therapy
			I	Grant and Similar Programs
21	Community Care Programs, e.g., CHAMPVA, Spina Bifida, Children of Women Vietnam Veterans, Foreign Medical Program, & Other Community Care Programs	VHA	Future iFAMS Wave	Non-Department Medical Care and Services
22	Disabled: Not a Valid Code	N/A	N/A	N/A
23	State Approving Agency	VBA GOE	O	State Approving Agency

1358 Code	Title	iFAMS Wave Inclusion	Appendix	Appendix Title
N/A	N/A	OM+	P	Childcare Subsidy

Appendix B: Expense Sharing/Reclassification

- A. These transactions (formerly standardized obligations) pertain to situations in which programs or services were initially obligated and paid by another organization (within the same Administration or Staff Office or from another VA Administration or Staff Office) and are being distributed to another VA organization, e.g., cost-sharing, or to correct (reclassify) a transaction that was erroneously recorded.
1. These transactions are not intra-governmental, buy/sell, or fiduciary transactions.
 2. They may occur within the same appropriation/fund or between different appropriations/funds.
 3. The initial obligation and expense must have already been recorded before the expense sharing/reclassification entry being recorded.
- B. Legal Authority:
- 31 U.S. Code § 1534. Adjustments between appropriations
- C. The following are examples of items that are often paid centrally by a VA Administration / Staff Office and allocated to other VA organizations:
- Federal Telecommunications Services
 - College of American Pathology/Joint Pathology Center
 - Convenience Check Fees
 - SmartPay (US Bank), Centralized Contract Administrative Fees
 - Federal Employees Compensation Program
 - SHPS (federal Flexible Spending Account program)
 - Standard Level User Charges: General Services Administration, NARA
 - Transit Benefits

Applicable appropriation	All VA appropriations/funds
Timing of the obligation	Date the expense sharing/reclassification entry is recorded by the initiator of the transaction
Amount	Transaction-level amount on the expense sharing/reclassification entry
Required Documentation	Agreement or justification for the expense sharing/reclassification. This documentation will include adequate detail to support the cost, period of performance, and detailed information to describe the supplies/services.
Special iFAMS Document Types for Recording Transaction	<ul style="list-style-type: none"> ▪ SEB for expense sharing/reclassification (iFAMS expense transfers) between stations ▪ SEW for expense sharing/reclassification (iFAMS expense transfers) within a station
Payment Mechanism	Not applicable

Appendix C: Intra-governmental Transactions (IGT)

- A. Intra-governmental transactions (IGT) are comprised of:
1. Fiduciary transactions with Treasury, Federal Financing Bank, Department of Labor (DOL), for the Federal Employees Compensation Act (FECA) activity, and the Office of Personnel Management (OPM)
 2. Transfers
 3. General Fund Transactions
 4. Buy/sell agreements.
 - Within the IAA (buy/sell) category, there are both Intra-departmental and Intra-governmental transactions.
- B. This policy does not cover transfers and General Fund transactions.
- C. The following are not IGT transactions: 1) transfers to another federal agency, e.g., military buybacks, employee awards; 2) asset transfers within VA, e.g., transfer of equipment between stations; 3) cost transfers used to move resources, e.g., employee payroll corrections, accounting corrections; and 4) exchange activity within the same appropriation.

D. Fiduciary Transactions

1. Fiduciary transactions do not require IAAs and will not utilize G-Invoicing.
2. The Veterans Benefits Administration records IGT fiduciary transactions with Treasury, and the Financial Services Center handles IGT fiduciary transactions with OPM. This policy covers neither of these transactions processes. Refer to VA Financial Policy, Volume I, Chapter 11, Intra-governmental Transactions.
3. The only IGT fiduciary process covered by this policy is the FECA Program.
4. DOL manages the FECA program for all federal agencies and pays current FECA benefits, which federal agencies ultimately reimburse through the chargeback process.
5. Quarterly, DOL provides each federal agency with a report of its employees receiving FECA benefits with an estimate of the cost of these benefits. VA Administrations and Staff Offices record these amounts as obligations.
6. By August 15 of each year, DOL sends VA a statement of its FECA costs for the previous fiscal year. Each agency must include this in its subsequent budget request to cover its FECA costs for the previous fiscal year. By October 15, VA must reimburse DOL for the costs of the FECA benefits provided to VA employees.

7. Legal authority: 5 USC Chapter 81, Compensation for Work Injuries

Applicable appropriation	All VA appropriation(s)/fund(s)
Timing of the obligation	Date of the FECA quarterly statement
Amount	FECA quarterly statement
Required Documentation	FECA quarterly statement
Special iFAMS Document Types for Recording Transaction	OEE for obligation and PIE for IPAC payment
Payment Mechanism	IPAC (until both parties implement G-Invoicing)

E. Intra-departmental IAA

- Intra-departmental IAAs only pertain to buy/sell agreements within VA between different VA appropriations/funds.
- Within the IGT IAA category, the following will be handled as intra-departmental IAAs:
 - Denver Acquisition and Logistics Center Services and Supplies
 - Supply Fund: Strategic Acquisition Center
 - Supply Fund: Technology Acquisition Center
 - Supply Fund: National Acquisition Center
 - One VA Plus Fund
 - Franchise Fund: Security and Investigations Center
 - Franchise Fund: Law Enforcement Training Center
 - Franchise Fund: Financial Services Center
 - Franchise Fund: Debt Management Center
 - Franchise Fund: Corporate Data Center Operations
 - Franchise Fund: Records Center and Vault
 - Other Intra-VA buy/sell agreements
- Legal Authorities:
 - 31 U.S.C. §1535, The Economy Act
 - 38 U.S.C. § 8121, Revolving Supply Fund
 - Public Law 109-114, VA Franchise Fund

Applicable appropriation	All VA appropriations/funds
Utilize commitments	No, unless they involve assisted acquisitions
Timing of the obligation	When the VA requesting agency (buyer) and VA servicing agency (seller) sign the 2269 for the full amount contained on the 2269
Amount	Total amount on the 2269
Required Documentation	VA Form 2269
Special iFAMS Document Types for Recording Transaction	Buyer's obligation is OEE (conversion obligation was OEX)
Payment Mechanism	IPAC (until both parties implement G-Invoicing)

F. Intra-governmental IAA

1. Intra-governmental IAAs only pertain to buy/sell agreements between VA and a non-VA federal entity.
2. The following will be handled as intra-governmental IAAs:
 - Federal Telecommunications Services
 - SHPS, Inc. (administer of federal Flexible Spending Account program)
 - Standard level user charges: General Services Administration (GSA) (including global stock, vehicle, property leasing, and utilities); U.S. Postal Service; National Archives and Records Administration
 - Transit benefits administered by the U.S. Department of Transportation
 - GSA non-standard level usage activities and Treasury Offset Program (TOP) fees
 - Government Printing Office
 - Interagency agreements, including sharing agreements between VA and Department of Defense, Indian Health Service, and Tribal Health Program
 - Intergovernmental personnel agreements and services, including Cooperative Administrative Support Units
3. Legal Authorities
 - 31 U.S.C. §1535, The Economy Act
 - 40 U.S.C. §501, Services for Executive Agencies (General Services Administration Federal Supply Schedules)
 - 38 U.S.C §8153, Sharing of Health-Care Resources
 - 5 U.S.C. § 3371 et seq., Intergovernmental Personnel Act
 - 5 U.S.C. § 5514(a)(2), Installment deduction for indebtedness to the United States

Applicable appropriation	All VA appropriations/funds
Utilize commitments	No, unless they involve assisted acquisitions
Timing of the obligation	When both the requesting agency (buyer) and servicing agency (seller) sign the Treasury FMS Form 7600B, Interagency Agreement (IAA)-Agreement Between Federal Agencies, Order Requirements and Funding Information (Order)
Amount	Total amount on the Form 7600B
Required Documentation	Form 7600B
Special iFAMS Document Types for Recording Transaction	Buyer's obligation is OEE (conversion obligation was OEX)
Payment Mechanism	<ul style="list-style-type: none"> ▪ IPAC (until both parties implement G-Invoicing) ▪ GSA global supply transactions under the micro-purchase threshold may use the GPC

4. VBA Lease Agreement Overtime Charges are Intra-governmental IAAs that are obligated differently due to GSA's unique requirements.
 - a. VBA has a centralized lease contract with GSA covering most of VBA's Regional Offices (RO). If there are special services, which are not included in the rent covered by this contract, e.g., utility payment for overtime, they are handled on a reimbursable basis via GSA's reimbursable work authorization (RWA) process and paid directly to GSA by the RO.
 - b. VBA lease agreement overtime charges are Intra-governmental buy/sell IAA transactions between VBA and GSA.
 - c. Legal Authorities
 - 40 U.S.C. Chapter 1 § 101 et seq, Federal Property and Administrative Services
 - 40 U.S.C. § 592(b)(2), Federal Buildings Fund (used when the property is within GSA's authority, custody, or control)
 - 31 U.S.C. §1535, The Economy Act (used when the property is outside of GSA's authority, custody, or control)
 - d. Federal agencies must use GSA's external RWA Entry and Tracking Application (eRETA) to enter RWA information. Neither Treasury Form 7600A nor Treasury Form 7600B is used for RWAs.

Applicable appropriation	VBA's General Operating Expenses (GOE) appropriation
Utilize commitments	No, unless they involve assisted acquisitions
Timing of the obligation	When both the requesting agency (buyer) (VBA) and servicing agency (seller) (GSA) electronically sign the RWA in the eRETA
Amount	Amount on the electronically signed RWA
Required Documentation	Electronically signed RWA
Special iFAMS Document Types for Recording Transaction	VA's obligation to GSA is OEE (conversion obligation was OEX)
Payment Mechanism	IPAC (until both parties implement G-Invoicing)

Appendix D: Legal

This appendix is comprised of three types of transactions:

1. Tort claims
2. EEO settlements
3. Attorney fees

A. Tort Claims, including payments to the Judgment Fund, and EEO Settlements

1. 28 U.S.C. § 2672, Administrative Adjustment of Claims, and 38 U.S.C. § 515, Administrative Settlement of Tort Claims, provide the legal authority for VA to settle a claim for money damages against the government.
2. Reimbursements from VA to the Judgment Fund. Refer to VA Financial Policy Volume VI, Chapter 20 – Judgment Fund.

Applicable appropriation	All VA appropriations/funds
Timing of the obligation	Date that the legal decision-maker, e.g., court, determines that the government is liable. 35 Comp. Gen. at 187 states: "It is our view that obligations may be recorded only in those cases where the Government is definitely liable for the payment of money out of available appropriations and the pending litigation is to determine the amount of the Government's liability."
Amount	Final amount or estimated amount (if Government has been found legally liable, but the final amount is still in litigation/arbitration)
Required Documentation	Legal document finding Government liable along with Judgment Fund claim for reimbursement
Special iFAMS Document Types for Recording Transaction	
	OEE is obligation and PIE is for IPAC payment
Payment Mechanism	IPAC (until both parties implement G-Invoicing)

3. Payments Made Directly by VA to Recipient

Applicable Appropriation	All VA appropriations/funds
Timing of the obligation	Date that the legal decision-maker, e.g., court, determines that the government is liable. 35 Comp. Gen. at 187 states: "It is our view that obligations may be recorded only in those cases where the Government is definitely liable for the payment of money out of available appropriations and the pending litigation is for the purpose of determining the amount of the Government's liability."
Amount	Final amount or estimated amount (if Government has been found legally liable, but the final amount is still in litigation/arbitration)
Required Documentation	Legal document finding Government liable

Special iFAMS Document Types for Recording Transaction	EEO is for obligation (this includes applicable attorney fees). PEO is for payment and is manually created in iFAMS.
Payment Mechanism	Electronic Funds Transfer (EFT) via iFAMS, not IPPS. (All payees will be individually obligated and paid and must be vendorized.)

Appendix E: Office of Inspector General (OIG) Investigative

- A. OIG confidential services are necessary for governmental purposes (e.g., criminal investigations) and are not considered commercial items/services. 48 CFR § 2.101 exempts them from FAR.

Applicable appropriation	OIG Appropriation 0170
Timing of the obligation	Date the Government enters into an agreement with the confidential service provider or per iFAMS' standard purchase card obligation process.
Amount	Amount agreed to with provider of OIG confidential service or per iFAMS' standard purchase card obligation process.
Required Documentation	Agreement with, or document substantiating, confidential service or purchase card required documentation as per VA financial policy, Volume XVI, Chapter 1B, Government Purchase Card for Micro-Purchases.
Special iFAMS Document Types for Recording Transaction	OMP is for manual obligation for EFT and imprest fund (available beginning in OM+ wave). OPE/OPX is for obligation for purchase card obligation.
Payment Mechanism	EFT (via iFAMS not IPPS), imprest fund, or purchase card. (For vendors that do not accept a purchase card, a convenience check may be used for up to \$5,000.) (All EFT and imprest fund payees will be individually obligated and paid and must be vendorized.)

- B. OIG investigative purchases are necessary for governmental purposes (criminal investigations) and are not considered commercial items/services. 48 CFR § 2.101 exempts them from FAR.

Applicable appropriation	Office of Inspector General 0170
Timing of the obligation	Date the Government enters into an agreement with the provider of the investigative-related item or per iFAMS' standard purchase card obligation process.
Amount	Amount agreed to with provider of investigative-related item or per iFAMS' standard purchase card obligation process
Required Documentation	Agreement with, or document substantiating, investigative-related item or purchase card required documentation as per VA financial policy, Volume XVI, Chapter 1B, Government Purchase Card for Micro-Purchases.
Special iFAMS Document Types for Recording Transaction	OMP is for manual obligation for EFT and imprest fund (available beginning in OM+ wave). OPE/OPX is for obligation for purchase card obligation.
Payment Mechanism	EFT (via iFAMS not IPPS), imprest fund, or purchase card. (For vendors that do not accept a purchase card, a convenience check may be used for up to \$5,000.) (All EFT and imprest fund payees will be individually obligated and paid and must be vendorized.)

Appendix F: Volunteer Meal Tickets and Reimbursements

This is comprised of four (4) different types of transactions:

1. Volunteer meal tickets-Veterans Canteen Service (VCS)
2. Volunteer meals purchased from non-federal sources
3. Reimbursements to volunteers for local transportation costs
4. Public transportation passes/tickets paid by VA and provided to volunteers

A. Volunteer Meal Tickets-Veteran Canteen Service

1. Volunteer meal tickets are purchased via an intra-agency agreement (IAA) with the Veterans Canteen Service (VCS).
2. Legal Authority:
 - VHA Directive 1620, Voluntary Services, and Comptroller General Decision B-145430 authorize the VHA, Expenses, Medical Services appropriation to pay for volunteers' meals when they volunteer for four or more hours. At the VA medical centers (VAMCs), Voluntary Services often purchase meal tickets from VCS for volunteer meals.

Applicable appropriation	<ul style="list-style-type: none"> ▪ Expenses Medical Services (0160) ▪ General Post Fund, National Homes (8180)
Timing of the obligation	Date that both the VA requesting agency (buyer) and the servicing agency (seller) (VCS) sign the VA Form 2269, Interagency Cross-Servicing Support Agreement.
Amount	Total estimated amount of meal tickets to be purchased as shown on the VA Form 2269.
Required Documentation	VA Form 2269 Interagency Cross-Servicing Support Agreement.
Special iFAMS Document Types for Recording Transaction	OEE for obligation and PIE for payment
Payment Mechanism	IPAC (until both parties implement G-Invoicing)

B. Volunteer and Resident Meals

1. Volunteer and resident meals may be purchased from non-federal sources.
2. These transactions are subject to FAR and may only be procured via a contract or, if less than the micro-purchase threshold, the purchase card (For vendors that do not accept a purchase card, a convenience check may be used for up to \$5,000.)

C. Volunteer Reimbursements

1. Volunteers may be reimbursed for local transportation costs necessary to volunteer.
2. VA Office of General Counsel Precedent Opinion PREC 14-91 allows VA to pay volunteer local transportation costs.

Applicable appropriation	<ul style="list-style-type: none"> ▪ Expenses Medical Services (0160) ▪ General Post Fund, National Homes (8180)
Timing of the obligation	Date the VA official approves the request for reimbursement, which occurs after the travel has been completed and is documented on the SF-1034, Public Voucher for Purchases and Services Other Than Personal (obligate at claim approval).
Amount	Amount of approved reimbursement on the SF-1034
Required Documentation	SF-1034 and necessary supporting documentation
Special iFAMS Document Types for Recording Transaction	PBE for obligate at claim approval
Payment Mechanism	EFT via iFAMS not IPPS. (All payees will be individually obligated and paid and must be vendorized.)

D. Volunteer Local Public Transportation Passes and Tokens

1. VA purchases local public transportation passes and tokens and provides them to volunteers.
2. These transactions are subject to FAR and may only be procured via a contract or, if less than the micro-purchase threshold, the purchase card (for vendors that do not accept a purchase card, a convenience check may be used for up to \$5,000.)
3. VA Office of General Counsel Precedent Opinion PREC 14-91 allows VA to pay volunteer local transportation costs.

Appendix G: Honoraria and Stipends

A. Honoraria

1. Honoraria are voluntary payments to a person for a service for which a fee is not legally or traditionally required.
2. VA financial policy, Volume II, Chapter 7B, Honoraria, allows for honoraria payments, not to exceed \$100, provided that the payments are not of a significant nature, enforceable by law, and are used as more of a thank you or an expression of appreciation for voluntary services received.

Applicable appropriation	All VA appropriations/funds
Timing of the obligation	Date the VA official approves the request for honoraria, which occurs after the voluntary service has been completed and is documented on the SF-1034, Public Voucher for Purchases and Services Other Than Personal, (to be prepared by the VA employee preparing the honoraria request) (obligate at claim approval)
Amount	Approved amount on the SF-1034
Required Documentation	SF-1034 and necessary supporting documentation per VA financial policy, Volume II, Chapter 7B, Honoraria
Special iFAMS Document Types for Recording Transaction	PBE for obligate at claim approval
Payment Mechanism	EFT via iFAMS not IPPS. (All payees will be individually obligated and paid and must be vendorized.)

B. Stipends

1. Stipends are fixed sums of money paid periodically for services or to defray expenses. A stipend is distinct from a salary payment because it does not represent payment for work performed, but rather is payment for a role that is normally unpaid, or which cannot be measured in terms of a task.
2. 41 CFR 102-3, Federal Advisory Committee Management, allows compensation and expense reimbursement of advisory committee members, staff, and consultants.

Applicable appropriation	All VA appropriations/funds
Timing of the obligation	Date the VA official approves the stipend request (administrative approval of payment), which occurs after the service has been completed or expense incurred and is documented on the SF-1034 (to be prepared by the VA employee preparing the stipend request) (obligate at claim approval)
Amount	Approved amount on the SF-1034

Required Documentation	SF-1034 and necessary supporting documentation to substantiate the reason for and computation of stipend
Special iFAMS Document Types for Recording Transaction	PBE for obligate at claim approval
Payment Mechanism	EFT via iFAMS not IPPS. (All payees will be individually obligated and paid and must be vendorized.)

Appendix H: Incentive Therapy (IT) /Compensated Work Therapy (CWT)

- A. The Compensated Work Therapy (CWT) Program is paid work therapy performed by Veterans and includes several sub-programs: Incentive Therapy; Sheltered Workshop; Transitional Work and Vocational Assistance; Supported Employment and Post-Employment Supports; and Transitional Residence.
- B. CWT work therapy may be performed for the following four entities:
1. VHA 0160-funded organization - VA organizations funded by the 0160 appropriations (whether annual, multi-year, or no year) will not establish obligations for services received from CWT participants, and revenue will not be recorded in 5287.007 from VA organizations funded by the 0160 appropriation (whether annual, multi-year or no year). Transactions within an appropriation do not provide new budget authority or revenue but are rather expense sharing/reclassification transactions. (See Appendix B.)
 2. VA organization not funded by fund 0160 – This is an Intra-departmental IAA. Revenue will be deposited into MCCF (fund 5287.007).
 3. Federal non-VA organization – This is an Intra-governmental IAA. Revenue will be deposited into MCCF (fund 5287).
 4. Non-federal organizations - Revenue will be deposited into MCCF (fund 5287).
- C. The VHA Resources Management Office will transfer collections recorded in facilities' 5287.007 accounts to the facilities' 0160X4 accounts.
- D. Payments to CWT work therapy participants will be recorded as obligate at claim approval transactions and paid from fund 0160X4.
- E. Legal Authorities:
1. 38 U.S.C. § 1718, Therapeutic and Rehabilitative Activities, the Secretary may enter into a contract or other arrangement with any appropriate source (federal or non-federal entity) to provide paid therapeutic work for Veteran patients.
 2. 31 U.S.C. § 1535, Agency Agreements (Economy Act), provides the reimbursable authority.

Applicable appropriation	Medical Care and Collections Fund (MCCF), CWT sub-fund (5287.007) (VA revenue from CWT Program contracts and arrangements are to be deposited into the MCCF sub-fund (5287.007). No disbursements can legally be made from 5287.007)

Timing of the obligation	<ul style="list-style-type: none"> For Intra-departmental IAAs, when both the requesting agency (buyer) and servicing agency (seller) sign the VA Form 2269. For Intra-governmental IAAs, when both the requesting agency (buyer) and servicing agency (seller) sign the Treasury FMS Form 7600B.
Amount	<ul style="list-style-type: none"> For Intra-departmental IAA, the total amount on the VA Form 2269. For Intra-governmental IAA, the total amount on Form 7600B.
Required Documentation	<ul style="list-style-type: none"> VA Form 2269 for intra-departmental IAA. Form 7600B for intra-governmental IAA
Special iFAMS Document Types for Recording Transaction	OEE for obligation and PIE for IPAC payment when VA is the buyer of services.
Payment Mechanism	IPAC (until both parties implement G-Invoicing)

F. Payments to Incentive Therapy/ Compensated Work Therapy Participants.

Applicable appropriation	Expenses, Medical Services no year appropriation (0160X4) (Amounts in 5287.007 are transferred by VHA's Resource Management Office to the Expenses, Medical Services no year appropriation (0160X4). All CWT disbursements are to be made from 0160X4.)
Timing of the obligation	Payment to the Veteran for the work performed is to be recorded as an obligate at claim approval transaction.
Amount	For Veteran who performed work, the total authorized amount for hours worked
Required Documentation	For work therapy participant obligation, the timesheet for CWT individual approved by VA official
Special iFAMS Document Types for Recording Transaction	PBE will be used for obligations for CWT work therapy participants.
Payment Mechanism	EFT via iFAMS not IPPS. (All payees will be individually obligated and paid and must be vendorized.)

Appendix I: Grants and Similar Programs

- A. This category includes the:
1. VA Homeless Providers Grant and Per Diem Program
 2. Cemetery Grants
 3. Other statutorily authorized VA grant programs
- B. These transactions are not subject to FAR. Grants, cooperative agreements, and special purpose agreements are used for special purposes specifically authorized by law and are not for the acquisition of supplies or services by the federal government. Refer to P.L. 95-224, 2 C.F.R. § 200.201 – Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts, and 2 C.F.R. § 200.201 - Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts, for additional details.
- C. Legal Authorities:
1. 31 U.S.C., Chapter 63, Using Procurement Contracts and Grant and Cooperative Agreements
 2. 38 U.S.C. Chapter 81, Subchapter 3, State Home Facilities for Furnishing Domiciliary, Nursing Home, and Hospital Care
 3. Public Law 109-461 provides authority for VA's Homeless Providers Grant and Per Diem Program
 4. 38 U.S.C. § 2408, Aid to States for Establishment, Expansion, and Improvement of Veterans' Cemeteries, authorizes the Secretary to issue an award letter for the monetary grant to a state to establish, expand, or improve a state Veterans' cemetery and to make progress payments from these funds as the work is completed. A Memorandum of Agreement is established between the state and VA stipulating the terms of the grant.

Applicable appropriation	VA appropriation(s)/fund(s) with authorized grant programs, such as: <ul style="list-style-type: none"> ▪ Grants for Construction of State Extended Care Facilities 0181 ▪ Grants for the Construction of State Veterans Cemeteries 0183 ▪ Grants for Construction of State Extended Care Facilities Recovery Act 0184
Utilize commitments	May utilize commitments (RGE document type), but not required
Timing of the obligation	When the grant is awarded, and if required by the terms of the grant, communicated to the grantee
Amount	Grant award amount
Required Documentation	Grant award document

Special iFAMS Document Types for Recording Transaction	OGE for Department of Health and Human Services (HHS) Non-Per Diem Grants. VHA Per Diem Grants will use document type OGI and be processed through IPPS.
Payment Mechanism	EFT via iFAMS, not IPPS for HHS Non-Per Diem Grants. EFT via IPPS for VHA Per Diem Grants. (All payees will be individually obligated and paid and must be vendorized.)

Appendix J: NCA Veterans Benefits

This appendix is comprised of two burial benefits:

1. Outer Burial Receptacles
2. Dignified Burial Caskets/Urns

A. Outer Burial Receptacles

1. The Outer Burial Receptacle (OBR) Program is a one-time monetary allowance given to the next-of-kin of a deceased Veteran who has chosen to have a private OBR in lieu of a VA-furnished OBR.
2. Annually, NCA publishes the maximum benefit that may be provided as a monetary allowance for OBR in the *Federal Register*. (For the calendar year 2000 and each calendar year thereafter, the allowance will be the average cost, as determined by VA, of Government-furnished grave liners, less the administrative costs incurred by VA in processing and paying the allowance.)
3. Legal Authority: 38 CFR § 38.629, Outer burial receptacle allowance.
4. OBR transactions are not subject to FAR because they are monetary allowances.

Applicable appropriation	VBA's Compensation and Pensions appropriation
Utilize commitments	No
Timing of the obligation	When the Cemetery Director determines via their authorization that a privately furnished OBR was provided and that the monetary allowance should be made to the next-of-kin ((obligate at claim approval).
Amount	Monetary allowance amount stated <i>Federal Register</i>
Required Documentation	None. The applicable regulations state that an application for the monetary allowance does not need to be completed by the next-of-kin. However, an application may be submitted using VA Form 21P-530, <i>Application for Burial Benefits</i> .
Special iFAMS Document Types for Recording Transaction	PNI for obligate at claim approval via interface (available starting with C&P wave)
Payment Mechanism	EFT via iFAMS not IPPS. (All payees will be individually obligated and paid and must be vendorized.)

B. Dignified Burial Caskets/Urns

1. The Dignified Burial Casket/Urn Program consists of reimbursements to funeral homes and responsible entities that paid for caskets or urns on behalf of Veterans with no next-of-kin or with next of kin who were unable or unwilling to pay for the caskets or urns.

2. Annually, NCA publishes the maximum benefit that may be paid for a casket and an urn under this program in the *Federal Register*. The obligation and payment will be for the lesser of the reimbursement amount submitted or the maximum allowable benefit.
3. Legal Authority: 38 CFR § 38.628, Reimbursement for caskets and urns for unclaimed remains of veterans
4. The Dignified Burial Casket/Urn Program is not subject to FAR because it is a reimbursement.

Applicable appropriation	VBA's Compensation and Pensions appropriation
Utilize commitments	No
Timing of the obligation	When an authorized VA official approves the request for reimbursement (VA Form 40-10088). Each approved reimbursement request will be individually obligated for the full amount of the approved reimbursement (obligate at claim approval)
Amount	Lesser of the reimbursement amount submitted or the maximum allowable benefit.
Required Documentation	VA Form 40-10088, <i>Reimbursement for Casket/Urn</i> , and receipt(s)
Special iFAMS Document Types for Recording Transaction	PNI for obligate at claim approval via interface (available beginning in C&P wave)
Payment Mechanism	EFT via iFAMS not IPPS. (All payees will be individually obligated and paid and must be vendorized.)

Appendix K: Regulated Utilities

- A. Regulated utilities are public utility services with rates approved or established by a regulatory body.
- B. Class Deviation from FAR Subpart 41.2, Acquiring Utility Services, and VA Acquisition Regulation subpart 841.2, Acquiring Utility Services, was issued effective February 1, 2020. The deviation removed the unnecessary, burdensome, and costly regulatory requirements to seek bilateral written contracts for services provided by public utilities under rates approved or established by a regulatory body, while remaining compliant with applicable fiscal law regarding the recording of obligations at 31 U.S.C. § 1501(a)(8). This deviation allows VA to streamline the processing of a narrow group of utility service acquisitions by providing an exception to the regulatory requirement to use bilateral contract(s) when procuring regulated utility services under rates approved or established by a regulatory body. See GAO Decision: Obligations Recorded for Utility Services Performed, B-122358.

Applicable appropriation	All VA appropriations/funds
Timing of the obligation	<ul style="list-style-type: none"> Utility service period within a fiscal year - Under 31 U.S.C. § 1501(a)(8), a recordable obligation arises when there is documentary evidence of services provided by public utilities. Obligations should be recorded only based on services actually performed. 34 Comp. Gen. 459, 462 (1955) (obligate at claim approval). Utility service period crossing two fiscal years - Under 31 U.S.C. § 1308, in making payments for telephone services and for services like gas or electricity where the quantity is based on metered readings, the entire payment for a billing period which begins in one fiscal year and ends in the succeeding fiscal year is chargeable to appropriations current at the end of the billing period (succeeding fiscal year). If the charge covers several fiscal years, 31 U.S.C. § 1308 does not apply. A charge covering several fiscal years must be prorated so that the charge to any one fiscal year appropriation will not exceed the cost of service for a 1-year period ending in that fiscal year. 19 Comp. Gen. 365 Metered utility: If the billing period begins in one fiscal year and ends in the succeeding fiscal year, the entire amount of the invoice is charged to the appropriation current at the end of the billing period (succeeding fiscal year). If charge covers several fiscal years, must prorate between fiscal years IPPS is unable to process obligate at claim approval type transactions. A temporary waiver to the obligate at claim approval requirement is being granted allowing an estimated monthly obligation to be recorded for regulated utilities. The waiver will be in effect until IPPS is replaced or modified.
Amount	Estimated monthly utility invoice amount.
Required Documentation	None
Special iFAMS Document Types for	OSE for obligation and payment through IPPS. OPE obligation for purchase card

Recording Transaction	
Payment Mechanism	IPPS. (All EFT payees will be individually obligated and paid and must be vendorized.)

Appendix L: Reimbursements to VA Employees or Students

A. Reimbursements to VA Employees or Students

1. VA employees can be reimbursed for:
 - Tuition (successful completion of class/classes), book expenses, and examination fees approved on an SF-182, Authorization, Agreement, and Certificate of Training, and when all requirements of VA Directive 5015, Employee Development, have been met. Facility directors will establish procedures for the application and approval of reimbursable continuing education expenses for covered employees
 - Professional Liability Insurance (50% of the cost), not to exceed \$150
 - Certificates, or certification licenses (including attorney bar fees) required by VA for employees to perform their duties (e.g., pesticide application)
 - Education Debt Reduction Program
 - Self-certified transit and bicycle benefits, in accordance with VA Financial Policy Volume III, Chapter 1 – Transit Benefits and Bicycle Benefit Programs
 - Coronavirus (COVID-19) testing or immunization required for official travel
2. Legal Authorities:
 - a. VA Directive 5015, Employee Development
 - b. 5 CFR 410.401, Determining necessary training expenses, provides VA the authority to reimburse employees for approved training. This training must be approved prior to the training being provided, in order for it to be eligible for employee reimbursement. Prior approval is to be obtained via an SF-182. However, the obligation for the training reimbursement occurs when the VA authorizing official approves the SF-1034, Public Voucher for Purchases and Services Other Than Personal.
 - c. 38 U.S.C. § 7411, Full-time board-certified physicians and dentists: reimbursement of continuing professional education expenses, provides the authority to reimburse continuing professional education expenses incurred, up to \$1000 per year, for full-time, board-certified physicians and dentists.
 - d. Public Law 106-58 provides the authority to reimburse for professional liability insurance. Professional liability insurance premiums may be reimbursed for one-half the cost incurred, not to exceed \$150.
 - e. 5 U.S.C. § 5757, Payment of expenses to obtain professional credentials, is the authority to pay for professional credentials, including expenses for professional accreditation, state-imposed and professional licenses, and professional certification, and examinations for such credentials. The

employee is responsible for submitting a signed application accompanied by proof of payment.

- f. Executive Order 13150 (dated April 21, 2001) is the authority for the Transit Benefits Program's self-certification of transit and bicycle benefits. Refer to VA financial policy, Volume III, Chapter 1, Transit Benefit and Bicycle Benefit Programs.
- g. There are instances where an employee may be required to show proof of a COVID-19 test or immunization for official travel. If a traveler cannot obtain a test or immunization free of cost (e.g., Federal dispensary or covered under insurance), the cost incurred for temporary duty travel can be claimed as a miscellaneous expense (FTR Chapter 301, Part 301-12 per General Services Administration (GSA) Travel Policy). Organizations using iFAMS will obligate the OF 1164, Claim for Reimbursement for Expenditures on Official Business, as a reimbursement to a VA employee. Authorized relocation costs can be reimbursed under the miscellaneous expense allowance (MEA) either as a lump sum amount or actual expense process (FTR Part 302-16).

Applicable appropriation	<ul style="list-style-type: none"> All VA appropriations/funds For reimbursements paid to VA employees, use the appropriation/fund used to journalize the employee.
Timing of the obligation	Date the VA official approves the reimbursement request (administrative approval of payment), which occurs after the service has been completed or expense incurred (obligate at claim approval)
Amount	Approved amount on the SF-1034, Public Voucher for Purchases and Services Other Than Personal, VA Form 0724a, Transit Benefit Self-Certification Form and Reimbursement Voucher, VA Form 0724b, Transit Benefit Bicycle Self-Certification Form and Reimbursement Voucher, or OF 1164, Claim for Reimbursement for Expenditures on Official Business
Required Documentation	<ul style="list-style-type: none"> Except for transit benefit-related reimbursements, the obligating document is the SF-1034 and necessary supporting documentation to substantiate the reason for reimbursement The obligation for transit benefit-related reimbursements is either the VA Form 0724a or VA Form 0724b. The obligation for COVID-19 testing or immunizations required for official travel, OF 1164, Claim for Reimbursement for Expenditures on Official Business
Special iFAMS Document Types for Recording Transaction	PBE used for obligate at claim approval
Payment Mechanism	EFT via iFAMS not IPPS. (All payees will be individually obligated and paid and must be vendorized.)

Appendix M: Training and Tuition (Non-Scholarship)

- A. Training and tuition include non-scholarship academic degree training and related tuition provided by non-Government facilities.
- B. These transactions do not require a FAR-based contract unless the requirement (individual student's individual class):
- Was created for, or specifically tailored to, VA's needs and is greater than the micro-purchase threshold; or
 - Is greater than \$25,000
- C. Legal Authorities:
1. 5 U.S.C. §4105, Non-Government Facilities, Use of, states that the head of an agency, without regard to section 41 U.S. C. §6101 (b-d) (if less than or equal to \$25,000 per requirement) may make agreements or other arrangements for the training of employees of the agency by, in, or through non-Government facilities.
 2. 41 U.S.C. §6101 (b-d) states that If the individual training requirement exceeds \$25,000, then the requirement must be advertised, i.e., a FAR-based contract is necessary.
 3. Department of Homeland Security Act of 2002, Public Law 107-296, § 1331(a) and Title 5 U.S.C. § 4107 provide authority to pay for academic degree training.
 4. VA Handbook 5015, Employee Development, provides VA policy on employee training and states that supervisory approval is required for individual employee training requests. Approval requirements are as follows:
 5. Less than or equal to \$10,000 – first-level supervisor.
 - Greater than \$10,000 but less than \$25,000 – first level Senior Executive Service (SES).
 - Greater than \$25,000 – Undersecretary, Assistant Secretary, or Other Key Official.
- D. If the requirement is less than \$25,000, the transaction should be processed as follows:

Applicable appropriation	All VA appropriations/funds
Timing of the obligation	Date that the VA official approves the SF-182
Amount	Total estimated amount on the SF-182
Required Documentation	SF-182
Special iFAMS Document Types for Recording Transaction	OTE for obligation

Payment Mechanism	EFT (via iFAMS not IPPS) or the purchase card (preferred payment method up to the micro-purchase threshold). (All EFT payees will be individually obligated and paid and must be vendorized.)
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- E. If the requirement (individual student's individual class) is equal to or greater than \$25,000, the authority for a non-contractual obligation does not apply, and formal acquisition procedures must be followed via the acquisition office.

Appendix N: Scholarships

- A. VA may pay tuition directly to Universities, Colleges, or Other Professional training institutions, on behalf of employees and students (e.g., for college students enrolled in the Visual Impairment and Orientation and Mobility Professionals Scholarship Program (VIOMPSP) or the Health Professionals Educational Assistance Scholarship Programs, which include the Employee Incentive Scholarship Program and the Health Professional Scholarship Program.
- B. VA scholarships are non-FAR-based contracts between VA and the recipient, not between VA and the educational institution. In return for VA paying the scholarship, the recipient signs a continuing service agreement.
- C. Legal Authority: Specific legislation authorizing scholarship programs, such as: The Caregivers and Veterans Omnibus Health Services Act of 2010, which established the Visual Impairment and Orientation and Mobility Professionals Educational Assistance Program and re-authorized the Health Professionals Educational Assistance Scholarship Programs. These programs are not subject to FAR because they are not for the purchase, sale, or use of personal property or non-personal services; therefore, these transactions are not subject to the FAR provisions. See *University of Rochester v. Hartman*, 618 F.2d 170, 176 (2nd Cir. 1980)

Applicable appropriation	VA appropriations/funds which have legislatively authorized scholarship programs.
Timing of the obligation	Date that the VA approving official and scholarship recipient sign the scholarship agreement form
Amount	Total estimated amount on the agreement or application form
Required Documentation	Scholarship application form, along with the agreement form, will be used as the obligating document
Special iFAMS Document Types for Recording Transaction	OTE for obligation
Payment Mechanism	EFT via iFAMS not IPPS (All payees will be individually obligated and paid and must be vendorized) or the purchase card

Appendix O: State Approving Agency

- A. State approving agencies (SAAs) review, evaluate, and approve programs of education and training under State and Federal criteria. SAAs' approval decisions are transmitted to VA so that VA can pay benefits when students enroll.
- B. VA is authorized to reimburse an SAA for reasonable and necessary expenses of salary, travel, outreach activities, and administrative costs (using the formula contained in 38 U.S.C. § 3674). The Secretary may also reimburse such agencies for work performed by their subcontractors where such work directly relates to the requirements of Title 38 U.S.C and has had the prior approval of VA.
- C. Legal Authority:
 - 1. 38 U.S.C. § 3671, Designation
 - 2. 38 U.S.C. § 3674, Reimbursement of expenses
- D. VA is authorized to enter into contracts or agreements with State and local SAAs to reimburse them for the allowable reasonable and necessary expenses. These contracts are not subject to FAR because they relate to reimbursements.
- E. Each SAA must submit to VA, on a monthly or quarterly basis as determined by VA, a report containing a certification of the reasonable and necessary expenses incurred by the SAA under such contract or agreement for the period covered by the report.

Applicable appropriation	VBA's Readjustment Benefits appropriation
Utilize commitments	No
Timing of the obligation	When an authorized VA official approves the request for reimbursement, each approved reimbursement request will be individually obligated for the full amount of the approved reimbursement (obligate at claim approval).
Amount	Allowable reasonable and necessary expenses
Required Documentation	Report containing a certification of the reasonable and necessary expenses incurred by the SAA.
Special iFAMS Document Types for Recording Transaction	PBE used for obligate at claim approval
Payment Mechanism	EFT via iFAMS not IPPS. (All payees will be individually obligated and paid and must be vendorized.)

Appendix P: Childcare Subsidy

- A. The Childcare Subsidy program subsidizes the childcare costs for lower-income federal employee program participants.
- B. Legal Authorities:
1. Public Law 107-67, Section 630 authorizes federal agencies to use appropriated funds for the childcare subsidy program. Federal agencies must provide funds directly to childcare providers and not to federal employees.
 2. 5 CFR 792, Subpart B, is OPM's regulation for federal agency use of appropriated funds for childcare costs for lower-income employees.
- C. Processes:
1. The Child Care Records Management System (CCRMS) is used to enroll and request childcare subsidy reimbursement and complete all required forms.
 2. Qualifying employees must complete VA Form 0730a, *Child Care Subsidy Application Form*, to participate in the program.
 3. Employees and their childcare providers complete VA Form 0730b, *Child Care Provider Information* (for the Child Care Subsidy Program).
 4. Childcare providers must complete Standard Form (SF) 3881, ACH Vendor/Miscellaneous Enrollment Form.
 5. Employees are responsible for paying their total childcare costs and must pay the full amount on all invoices issued to them by their childcare providers. As a participant in the VA Child Care Subsidy Program, an employee is eligible to receive a subsidy to be applied towards their childcare costs. An employee's monthly childcare subsidy will be forwarded to their childcare provider(s) on the employee's behalf.
 6. Monthly, an employee completes VA Form 0730h, *VA Child Care Subsidy Program Benefit Payment Request Form*. This form is used to request monthly childcare subsidy payments. A separate form must be prepared for each month benefits are requested and should not be submitted until childcare services for the month have been provided.
 7. Employees are responsible for ensuring that information entered into CCRMS agrees with the attached supporting invoices. Benefit payment requests must be submitted through the CCRMS no later than the second Friday of the month following the month for which a benefit payment is requested.

8. The employee's monthly childcare subsidy will be forwarded to their childcare provider(s) on the employee's behalf.

Applicable appropriation	All VA appropriations/funds
Timing of the obligation	Date the VA official approves the request for childcare subsidy reimbursement, which occurs after the childcare services have been provided and are documented on the VA Form 0730h (obligate at claim approval)
Amount	Approved amount on VA Form 0730h
Required Documentation	VA Form 0730h and supporting childcare services invoices
Special iFAMS Document Types for Recording Transaction	PBE used for obligate at claim approval
Payment Mechanism	EFT via iFAMS not IPPS. (All payees will be individually obligated and paid and must be vendorized.)